

---

# 2006 CORPORATE INCOME TAX HIGHLIGHTS

---

**NEW CREDIT FOR EMPLOYING NATIONAL GUARD MEMBERS** You may qualify for this credit if you are an employer who has an employee that is a member of the Arizona National Guard if the employee is placed on active duty. Use Form 333 to figure this credit.

**NEW CREDIT FOR MOTION PICTURE PRODUCTION COSTS** This credit is available to motion picture production companies that produce motion pictures completely or partially in Arizona. Use Form 334 to figure this credit.

**NEW CREDIT FOR CORPORATE CONTRIBUTIONS TO SCHOOL TUITION ORGANIZATIONS** This credit is available to corporations that make contributions to school tuition organizations that provide scholarship and tuition grants to students who attend qualified Arizona schools. Use Form 335 to figure this credit.

**NEW SOLAR ENERGY CREDIT** This credit is available to taxpayers that install solar energy devices for commercial or industrial purposes in the taxpayer's trade or business located in Arizona. Use Form 336 to figure this credit.

**CARRYOVER OF RECYCLING EQUIPMENT CREDIT EXPIRED FOR CORPORATIONS** For taxable years beginning from and after December 31, 2005, this credit carryover is no longer available to corporations.

**CARRYOVER OF AGRICULTURAL WATER CONSERVATION SYSTEM CREDIT EXPIRED FOR CORPORATIONS** For taxable years beginning from and after December 31, 2005, this credit carryover is no longer available to corporations.

**REFUNDABLE CREDIT FOR TECHNOLOGY TRAINING EXPIRED** The refundable credit for technology training was effective for tax years beginning from and after December 31, 2000 and ending before January 1, 2006. Taxable year 2005 was the last year for this credit. As a result of the expiration, Form 329 has been discontinued.

**REFUNDABLE CREDIT FOR TAXPAYERS PARTICIPATING IN AN AGRICULTURAL PRESERVATION DISTRICT EXPIRED** The refundable credit for taxpayers participating in an agricultural preservation district was effective for tax years beginning from and after December 31, 2000 and ending before January 1, 2006. Taxable year 2005 was the last year for this credit. As a result of the expiration, Form 330 has been discontinued.

**REMAINDER OF TAX CREDIT FOR RETROACTIVE CONSOLIDATED ELECTION IS REFUNDABLE** Taxpayers who previously filed amended consolidated returns by December 31, 1994 and received retroactive consolidation credit vouchers from the department may have a remaining credit balance. Laws 1994, Ch. 41, Sec. 37 provides that after ten consecutive years from the date of the election, the Arizona affiliated group, its successors and assigns must claim the credit on its Arizona tax return for the next taxable year and the remaining balance, if any, must be refunded. The amount of remaining credit is a separate line item on the relevant income tax returns.